



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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June 19, 1995

TO: Minerals File

FROM: Anthony A. Gallegos, Reclamation Engineer *aa*

RE: Meeting Documentation, Plateau Resources Limited/Nuclear Fuel Services, Inc., Tony M/Lucky Strike Mine, M/017/001, Garfield County, Utah

Date of Meeting: June 14, 1995
Time of Meeting: 0930 - 1130
Location: DOGM Offices, III Triad Center
Participants: Al Dearth, Nuclear Fuel Services, Inc.; Wayne Hedberg, Tony Gallegos, DOGM

Purpose of Meeting: To discuss/clarify reclamation requirements for the Lucky Strike Mine site (portals, pads, roads)

The Division last inspected the Tony M/Lucky Strike site on May 3, 1995. During that inspection the road and portal area for the north Lucky Strike mine area was visited. The south Lucky Strike road and portal area was not visited because these areas were not known to be included in the reclamation plan at the time of the inspection. Mr. Dearth researched the company files for information which would clarify and define the reclamation required for all of the Lucky Strike mine disturbances.

At this meeting, Mr. Dearth presented a map showing the current claim designation for the area in question. Some of the old claims lapsed and were subsequently restaked. The old Lucky Strike (10?) claim is now known as Tic #16. A review of the old maps shows three adit/portal entries for the north end of the Lucky Strike mine. Mr. Dearth presented copies of a DOGM letter dated 6/19/87 to John K. Thamm, Plateau Resources, and a Plateau Resources 8/13/87 internal memo from J. Thamm to B. Fisher titled "MONTHLY REVIEW FOR JULY 1987". In addition, Mr. Dearth brought copies of two maps: "Shootaring Canyon Project Area Garfield County, Utah" with a drafted date of 7/30/1981; and "Tony M/Lucky Strike Mine Surface Area T35S, R11E" with a drafted date of 9/18/1980.

Page four of the company's internal memo states: "In brief, Plateau must be prepared to do the work outlined below:

LUCKY STRIKE #10 MINE AREA:

1. Close and secure the 3 portals which lead to the main workings of the Lucky Strike #10 mine. It was agreed, after some discussion, that only these portals must be closed; the numerous shallow workings in the immediate vicinity will be exempt from the closure requirement. It was also agreed that all portal closures could be done by pushing rock or dirt into the portal from the outside, to minimize the danger to the people involved. If complete closure cannot be achieved by this method, we agreed to blast down the brow at the portal.
2. Block the two main access roads leading to the main portals at the north and south ends of the mine, install water bars in them, and finally, drag and seed them."

Mr. Dearth brought in recent photographs of the Lucky Strike south access road and south portal area. In addition, he brought in recent photographs of the Tony M impounding areas, pipeline and dam shown on the Tony M/Lucky Strike Surface Area map. Included were photos of three ventilation boreholes shown in the western half of section 16 on the Shootaring Canyon Project Area map. The photos of the south Lucky Strike area show the access road covered with rock fall and naturally invading vegetation. The photos of the south Lucky Strike portal area show the portals open and the pad area naturally revegetated. One of the south portals houses a fan. Mr. Dearth asked what reclamation they would need to perform on the Lucky Strike portals, pads and access roads. He pointed out that the access roads and pad areas have reclaimed and revegetated naturally and these naturally revegetated areas would have to be disturbed in order to perform additional reclamation work on the portals.

Mr. Dearth presented a marked up copy of the Division's November 10, 1989 reclamation estimate for discussion. He wanted to know if the Division could eliminate some of the line items and reduce the total amount of reclamation surety. We indicated that those line items associated with the Tony M portion of the estimate which had been partially or fully reclaimed could be reduced or eliminated from the estimate. A detailed description of the reclamation requirements for the Lucky Strike disturbances could not be arrived at during this meeting and therefore, the Lucky Strike portion of the estimate could not yet be adjusted. The Division will review the files and attempt to contact former Division staff for details clarifying which areas of the Lucky Strike are to be reclaimed. Mr. Dearth will

Page 3
Meeting Documentation
M/017/001
June 19, 1995

telephone the Division on the afternoon of Monday, June 19, for a description of the Lucky Strike reclamation required.

The maps and photos of the Tony M mine disturbances were also reviewed during this meeting to ascertain which proposed areas had actually been disturbed and reclaimed. See the "Tony M/Lucky Strike Mine Surface Area" map received on this date for a location of the items discussed in this paragraph. The proposed clay borrow area, proposed maintenance road, proposed pipeline, and dam as shown on this map, were all constructed. The "existing pipeline" and "impoundment area" were reclaimed and released by the BLM. A copy of the "BLM Operating Plan Shootaring Canyon Project Area" submitted 10/26/81 documents reclamation of these areas. Upon closer inspection of the photos and map, Mr. Dearth believes the actual "clay borrow area" was created to the south of the "impoundment area." The photos of the dam show the impounding structure intact and naturally revegetated. The company would use this dam if the mine was reactivated. The "proposed pipeline" was constructed and is still in place. The photos of The clay borrow areas show minimal revegetation, but no signs of erosion. Photos of adjacent undisturbed clay hills show the same minimal vegetation. Three ventilation boreholes were photographed. These three boreholes are believed to be those shown in the western half of section 16 on the Shootaring Canyon Project Area map.

An item which became evident during this meeting was the absence of any costs associated with reclamation of the Tony M ventilation boreholes in the Division's previous reclamation estimates. We could find no explanation for this absence in the documents presented. Mr. Dearth did not know the reason for this omission either. We indicated that since we would be adjusting the reclamation surety to account for the reclaimed areas, we would also need to adjust the surety for these items which were omitted, but should be included. At this time, it is unknown whether the adjusted surety amount will be higher or lower than the present surety amount posted.

jb
cc: Al Dearth, Plateau Resources Limited
LUCKY-ST.MEM